



“The State of DFAS”

TOM BLOOM
Director, DFAS

Your Financial Partner @ Wa



* Who we are
* Our accomplishments
* Our way ahead
* The way ahead

Who we are

- **Great people, with a clear mission, serving America's best**
- **World's largest finance and accounting operation**
- **Established in 1991 based on DMRD 910**
- **Worthy of a Harvard business case study**
- **“Your Financial Partner @ Work”**

DFAS Mission

**“Provide responsive,
professional finance and
accounting services to the
Department of Defense”**



Ultimately, success is defined by how well we support commanders and the individual Soldier, Sailor, Airman, Marine, DoD Civilian, military retiree and annuitant.



World's Largest Finance and Accounting

Annual figures

Operation!

- **5.4M** military, civilians, retirees, annuitants paid
- **\$288B** in disbursements
- **\$222B** in Foreign Military Sales Trust Fund
- **\$162B** Retirement Trust Fund manager
- **144M** invoices paid
- **100M** accounting transactions
- **5.4M** travel payments
- **156** active DoD appropriations

Accountable Performance

- Annual performance contract with the Defense Management Council
- Criteria: quality, quantity, problem disbursements, and unit cost
- Accomplishment requires strong partnership with customers (FY99: Met 31 of 37 targets)





* Our accomplishments

Your Financial Partner @ Work

Key Management Activities

- **Visits to Centers and OPLOCs**
- **Visits with customers**
- **Director's Corporate Reviews (DCR)**
- **DFAS Management Council**
- **Offsites including OPLOC Directors**

Key Management Activities (con't)

- Reorganization (Indy, Columbus, and HQ)
- Systems management
- Electronic Commerce
- Visits with private industry
- DFAS Board of Directors

Taking Care of People

- **Training**
- **Partnership with Unions**
- **Individual Development Plans**
- **Town Hall meetings**
- **Straight Talk**
- **Organizational Assessment Survey**

Customer Focused Organization

- Communication with customers
- Director's Corporate Review
- Columbus, Indianapolis Centers realigned
- Customer service call center operations
- Employee/Member Self Service (E/MSS)
- Customer Surveys
- Business best practices
- Billing incentives



Competitive Sourcing

- Ultimate goal: Better Service, *Lower Cost* Program
- Changed process to encourage competition
- Drawing on world class firms to identify “Best Practices”
- Used a senior level working group consisting of our business partners
- Will meet DoD A-76 targets
- Retiree & Annuitant Pay and Civilian Pay studies



The way ahead

Your Financial Partner @ Work

DFAS Vision

- **World Class provider of finance and accounting services, with a strong corporate identity**
- **Trusted, innovative financial advisor**
- **Employer of choice, providing a progressive and professional work environment**
- **Competitive, best value to customers**

Organizational Change

- DFAS must improve business practices to be competitive
- Shift from geographic focus to business line focus (Accounting Services, People Pay, Commercial Pay)
- Sharpen focus on customer service
- Improve internal delivery of RM, IT and HR support to the business lines
- Implement over next 12 - 18 months

Concept

DFAS Director's Priorities

- Customer relations management
- Systems management (migratory systems development and legacy systems maintenance)
- DFAS image
- Quality of accounting information
- Training

DFAS
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